



USAID
FROM THE AMERICAN PEOPLE

SERBIA AND MONTENEGRO

PROGRAM NEWS AND UPDATES BULLETIN



Serbia's capital city of Belgrade landed the top regional award as "City of the Future: Southern Europe". The award earned Belgrade a position with Paris, London, Baku and Brno as one of the best places in Europe to do business.

STAVNA EKO KATUN VILLAGE

The mountainous region in the north of the country is a perfect example of the "wild beauty" Montenegro proudly promotes in its global tourism campaign. Rich with natural and "wild" beauty, including forests, rivers and lakes and dotted with numerous picturesque towns, the region has great economic potential as a tourist destination. Thanks to the support of the American people through USAID, the region's potential is being realized through innovative cross sector projects, including the creation of the Stavna Eko Katun village in Andrijevisa.

Andrijevisa is a small, underdeveloped, rural municipality in Northern Montenegro with a population of 6,000 and a faltering economy. The town itself is located in a serene valley between Mount Komovi and Mount Bjelasica. This area is well known for its beauty and wilderness areas but a lack of tourist amenities has made it a "hardship" destination for overnight hikers and nature lovers. Due to the lack of adequate accommodations in Andrijevisa, the tourists have gradually disappeared over the past fifteen years.



A woman from Andrijevisa enjoying the scenery;

Fortunately, the Ministry of Tourism recognized the problem in Andrijevisa. The Ministry's overall plan for the development of tourism in northern Montenegro includes the development of adequate overnight accommodations in order to increase the number of tourists to the

region. However, the Municipality of Andrijevisa lacks the necessary resources to complete the construction of accommodations on its own.

Through the "Community Revitalization through Democratic Action" (CRDA) program, the Stavna Eko Katun village project was developed and realized. It included the construction of ten wooden cabins, which can each comfortably accommodate 5 overnight guests. Also on site, there is a reception room and a restaurant with capacity to serve 50 diners. Visitors will have the unique opportunity of enjoying guided excursions that allow them to see and experience untouched nature. And, after building up healthy appetites, visitors can savor the healthy, ecologically friendly foods of the region.

The total value of the project was approximately \$289,000. USAID, through CHF International/Montenegro, provided \$156,000 and the Municipality of Andrijevisa provided \$43,000. Widespread private and public support provided the remainder of the funds. ■

MONTENEGRO'S PARLIAMENT: FUNDAMENTAL REFORM BEGINS WITH TWO MAJOR STEPS

Ahead of the recent parliamentary elections, MPs adopted two major documents that will increase the new parliament's effectiveness.

The Parliament of Montenegro has adopted two key documents that will lay the foundation for strengthening law-making in Montenegro. First, by an almost unanimous vote, the Montenegrin Parliament has adopted a completely changed Rules of Procedure that should bring order to debate in parliament and strengthen the Parliament's oversight functions. Second, the Committee for Elections and Appointments has approved a new Administrative Structure that will establish six new organizational units and serve as the basis for improving the staff's ability to provide professional assistance to elected Members of Parliament (MPs). Both of these significant accomplishments were the

result of extensive multi-year efforts of USAID's political processes program which is being implemented by the National Democratic Institute (NDI) in Montenegro.

Rules of Procedure

The Rules of Procedure serve to balance the rights of the majority against those of the minority. In adopting the Rules, the current governing majority in Montenegro gave up a degree of power to the opposition, recognizing that management of parliament is the responsibility of both the majority and the minority. The minority did not get all that it wanted, but it recognizes the significance of the current changes.

Administrative and Organizational Structure

In March and April 2006, USAID's implementing partner NDI worked closely with the Secretary General of the Montenegrin parliament on an extensive overhaul of its administrative structure. The Rulebook on Organization and Position Descriptions of the Staff of Parliament outlines a new staff structure, establishes new regulations, and contains clearer descriptions of depart-

ments and individual jobs. Adoption of this Rulebook opens the door to recruiting staff with foreign language, computer and research skills, which the parliament currently lacks. The re-organization of the administrative structure will enable the staff to provide more professional services to MPs so that they can be better prepared to review and debate legislation and to oversee its implementation.



Photo: Vijesti

FROM OUTCAST TO "CITY OF THE FUTURE"

You can't export if people are afraid to do business with you.

That is a problem facing Serbia. Tasked with helping Serbian companies increase revenues and create jobs, USAID's Serbia Enterprise Development Project (SEDP) knows that having great products isn't enough. If buyers and investors think a country is too unstable to do business in, growth and recovery are impossible.

To counter negative news reports that were driving away business, USAID works with the Serbia Investment and Export Promotion Agency (SIEPA) to draw attention to positive economic developments in Serbia - improved stability, modernized infrastructure, low corporate tax rates, and especially strong greenfield investment. The approach is to let Serbia's record of achievement speak for itself.

In December 2005, SIEPA and SEDP collected data and prepared the country's national bid in the annual "Cities and Regions of the Future" contest, sponsored by the Financial Times/FDI Magazine. The popular contest ranks locations worldwide for their business and investment potential based on 28 individual criteria in seven categories.

As a result, Serbia's capital city of Belgrade landed the top regional award as "City of the Future: Southern Europe". The award earned Belgrade a position with Paris, London, Baku and Brno as one of the best places in Europe to do business. Belgrade

Mayor Nenad Bogdanovic received the award in a ceremony organized by the Financial Times/FDI magazine in Cannes, France.

"From a city to be avoided, Belgrade has become a place that is recommended for investments. This is very important for us because only new investments can create new jobs and ensure a better life," said Bogdanovic in accepting the award.

The recognition is now helping SIEPA to promote foreign direct investment and to sell Serbian goods abroad.

The geographical category for Southern Europe included Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Macedonia, the Mediterranean isles, Romania, Serbia and Montenegro, Slovenia and Turkey. A total of 89 hopeful locations filed bids with FDI Magazine to join the list of Cities and Regions of the Future. ■



Mayor Bogdanovic and the "City of the Future" award

TWO USAID/IREX-SUPPORTED DOCUMENTARY FILMS RECEIVE PRIZES

Two films, produced by TV Cacak and funded by USAID, took honors at the International Golden Beggar TV Festival in Kosice, Slovakia. The films were part of a series of four documentaries about unemployment in the central Serbian town of Cacak. "Extras", which took second place, examined the impact on Cacak when the leading Serbian film director, Emir Kusturica, chose the town to film his Bosnian war film,

"Life is a Miracle". All of the 1,000 extras used in that film were unemployed factory workers from Cacak and its surroundings.



"The Chosen", a film which chronicles the lives of Bulgarian workers taking jobs in Cacak, despite the high unemployment rate among the local population, was awarded the prestigious Austrian Microsoft Prize. USAID-partner IREX had conducted journalism training courses at TV Cacak, and TV experts from IREX assisted the station during the filming and post-production phases of the films.

Two years ago, another USAID/IREX-supported TV Cacak film about a village blighted by a nearby quarry won the Grand Prize at the same festival.

A MODERN TWIST ON TRADITIONAL CRAFTS

Just past the stand where they sell onions and potatoes, then go left." Until recently, those looking for well-made, traditional handicrafts in Serbia had to look pretty hard. Good quality products were being made but only shoppers in-the-know could easily find them. Over the past year, USAID has been working on a project to help producers to more effectively market and sell their homemade and original crafts.

While the skills employed to make these unique products have been a part of Serbian tradition for ages, this project to make the best use of these skills for generating income is a relatively new phenomenon. Recognizing the quality and beauty of what can be made in Serbia, the "Ethno-network" project was designed to produce and promote products that are the result of the cultural wealth of centuries of tradition in a way that they can be appreciated and sold in the modern world.

USAID's Community Revitalization through Democratic Action - Economy (CRDA-E) partner America's Development Foundation (ADF) began this program by working with women's groups from Vojvodina and Eastern Serbia. To implement this project in other parts of Serbia

as well, USAID/CRDA-E partner organizations CHF International, International Relief and Development, Inc. (IRD) and Mercy Corps have now pooled their efforts with ADF to join together some 30 groups under the "Ethno-Network" umbrella.

The concept is both simple and comprehensive: USAID assists the groups by providing assistance in organizing and registering groups of craft producers; providing equipment to expand capacity and quality of craft production; providing specialized courses in craft making techniques, as well as continuous education in marketing and promotion, packaging, presentational and communication skills; helping these groups get access to free sales and workshop premises at the local level; building a recognizable brand ready to be marketed and exported; and continuous promotion through participation at trade fairs, fashion shows and exhibitions.

The sustainability of the network should be secured through the establishment of retail outlets for Ethno-Network products in tourist areas of Belgrade, Novi Sad, Nis and other places that tourists frequent. An Ethno evening was organized to present the products and potential of the Ethno-Network



ETHNO МРЕЖА



Demonstrating traditional techniques

and appeal to local institutions (city government, relevant ministries and the business community) to provide support so that it becomes fully sustainable by the end of the USAID-supported CRDA-E project. The Network has been approaching city governments to provide retail premises in unused or under-used spaces. One contract with a major local clothing producer has already been signed, and the Network is actively seeking additional contracts with companies that require the fine work that the Network members can provide. Phone: +381 21 52 22 77 e-mail: violeta@adf.org.yu

NEW FACE OF COURT - CATERING TO USERS NEEDS

As a part of the efforts to modernize Serbia's commercial courts, USAID supported the implementation of a new software system called the Case Management System (CMS). The new system, which has been installed at the Novi Sad Commercial Court, is a comprehensive program that tracks all aspects of case processing and eliminates certain paper-based registry books.

CMS accelerates case processing, helps eliminate backlogs and lessens the margin for corruption. For example, upon case

commencement CMS selects a judge at random, eliminating opportunities for "judge shopping." Upon case opening, parties to the case are able to immediately receive a certified document which includes the case number and the name of the judge assigned by CMS to the case. CMS allows electronic tracking of each movement in a case, with particular emphasis on information as to which court department has received the case for processing and when the case was received. These improvements increase transparency and are expected to reduce the period between case filing and the initial hearing, thus reducing the overall time needed for

case processing.

In addition, the system introduces other modifications that will result in lower overall case processing time. All filings, court decisions, and minutes are scanned in order to enable all judges and other authorized persons to view all case data through the CMS program without any physical contact with the hard-copy case folder.

From the beginning of May to mid-July, experts introduced CMS to court employees and taught them how to make use of the system. It is expected that CCASA will continue CMS implementation in Belgrade Commercial Court - the largest commercial court in Serbia.

TAKING THE PAIN OUT OF BUREAUCRACY

The process of going to municipality offices for birth or marriage certificates, notary services, construction permits or other municipal services is generally a tedious undertaking. In the past, hours and even days could be lost going from building to building and office to office. Now, however, in 10 municipalities of Belgrade and 21 other municipalities throughout Serbia, citizens can go to just one place and be assisted by professional and efficient municipal staff working in customer-friendly Citizen Assistance Centers (CACs).

With the support of the City of Belgrade and the USAID-funded Serbia Local Government Reform Program (SLGRP), citizens in the municipalities of Savski Venac, Lazarevac, Mladenovac, Rakovica, Palilula, Obrenovac, Barajevo, Surcin, Cukarica and Novi Beograd, are now treated like valued customers in the open and transparent environs of these Citizen Assistance Centers (CACs).

CACs deliver the most sought after municipal services in one place - commonly known as one-stop-shopping - including

registry office services (birth, death, marriage, citizenship certificates), social welfare and notary services, local economic development services (small business permits), and urban planning services (construction permit issuance). Locating these services under one roof leads to greater efficiency with the result that citizens receive services in a fraction of the time it took before. CACs also provide citizens with up-to-date information on municipal services and events and are a place to gather feedback from citizens on municipal performance. Ramps and/or elevators at each center ensure easy access for the elderly or disabled.

SLGRP began working with Metropolitan Belgrade municipalities in 2004 and provided approximately \$3 million in assistance to the City and selected constituent municipalities. Support to the Citizen Assistance Centers was provided in the form of computer equipment and software, as well as training for CAC staff members in customer relations and in providing services to persons with special needs. Approximately 30 more CACs have been established in Serbian municipalities based on the SLGRP

model. Both citizens and municipal employees have expressed their satisfaction with this new way of communicating and doing business.

Funded by the American people through USAID, CACs are just one way SLGRP has assisted 83 cities and municipalities throughout Serbia since 2001 to become more effective, efficient, transparent, and accountable to their citizens. ■

	Municipality	Opening date	Disability access
1.	Kragujevac	Upgrade 2003	✓
2.	Zrenjanin	Apr-03	✓
3.	Nis	Jun-03	✓
4.	Sabac	Dec-03	✓
5.	Valjevo	May-04	✓
6.	Kikinda	Jun-04	✓
7.	Aleksandrovac	Jun-04	
8.	Jagodina	Jun-04	
9.	Medvedja	Jun-04	✓
10.	Ivanjica	Jul-04	✓
11.	Presevo	Jul-04	✓
12.	Paracin	Aug-04	✓
13.	Subotica	Sep-04	✓
14.	Loznica	Mar-05	✓
15.	Savski Venac, Metro-Belgrade	Apr-05	✓
16.	Krupanj	May-05	✓
17.	Vranje	May-05	✓
18.	Prokuplje	Jun-05	✓
19.	Aleksinac	Jun-05	✓
20.	Lebane	Jun-05	✓
21.	Lazarevac, Metro-Belgrade	Jun-05	✓
22.	Bujanovac	Aug-05	✓
23.	Mladenovac, Metro-Belgrade	Aug-05	✓
24.	Rakovica, Metro-Belgrade	Nov-05	✓
25.	Palilula, Metro-Belgrade	Mar-06	✓
26.	Obrenovac, Metro-Belgrade	Apr-06	✓
27.	Barajevo, Metro-Belgrade	May-06	✓
28.	Surcin, Metro-Belgrade	Jun-06	✓
29.	Cukarica, Metro-Belgrade	Jun-06	✓
30.	N. Beograd-Blok 70, Metro-Belgrade	Jul-06	✓
31.	N. Beograd-Municipal Building, Metro-Belgrade	Work completed, opening soon	✓



President Boris Tadic visiting the Rakovica CAC



CACs: providing municipal services in a pleasant environment

"After I had a copy of my taxi license notarized in just a few minutes at CAC Palilula, I went and bought a couple of bottles of Coke for the employees. I was pleasantly surprised by the good service and nice environment."

Taxi driver from Belgrade

"I like the new space, working here is more pleasant than before. Citizens are glad that they are served in a nice atmosphere and they often tell us that."

Palilula CAC employee

"The purpose of the CAC is to simplify the procedures for issuing personal and other

documents to citizens. - Rakovica is a good example that a municipality can serve citizens. I hope that this will become the standard for all public administrations in Serbia."

Serbian President Boris Tadic during his visit to Rakovica CAC, Source: Blic, December 17, 2005.

OPENING THE DOOR TO BETTER COMMUNICATION

Too often, governments can seem aloof to the people they serve.

Citizens may voice their opinions at the polls, but there are few mechanisms for continued involvement in-between elections. To help establish better two-way communication and bridge the gap between the government and the people, the President of Serbia's People's Office was opened in 2004.

Two USAID partners - the National Democratic Institute (NDI) and the International Republican Institute (IRI) - have been working closely with the People's Office since its inception, helping it improve its scope of services to the citizens of Serbia.

Each year the President's Office selects 60 students from Belgrade University to participate in one of three annual internship cycles. Last year, the Director of the People's Office requested assistance from NDI for the training of volunteers in leadership and constituency relations. With

funding from USAID, NDI has since conducted trainings for more than 150 volunteers on topics ranging from time management, negotiations, dealing with challenging people, communication skills, event planning, and crisis management. Various simulations have exposed participants to real-life situations to teach them how to address specific concerns faced by the office in its daily interactions with citizens.

By taking full advantage of the volunteers' capacity, the People's Office has contributed to successfully resolving 13,500 of the more than 16,000 cases of citizens' concerns related to judiciary reform, employment, or health care. In June 2006, with help from IRI, the People's Office launched a "1,000 leaders" program, designed to develop leadership among young people, ages 21-35. Participants take part in educational seminars on strategic planning, write project proposals, and learn the basics of leadership. They are also given the opportunity to work with gov-



Young Volunteers participate in a training exercise

ernment institutions and/or private companies on specific projects in agriculture, industry, science, culture, local government, and media. Participants then intern with organizations and companies, both in Serbia and abroad. Through the contribution and development of these young leaders, the program hopes to strengthen Serbia's democratic leadership for decades to come. ■



AGRO-SMS: HELPING FARMERS TAP INTO USEFUL INFORMATION

Easy to use technology can mean better prices for agricultural producers

Information is money. In agriculture, wholesale buyers know at what prices they can sell produce for at terminal markets. That information has always allowed them to negotiate with rural producers from a position of power. An innovative new project has helped level the playing field for Serbian farmers.

AGRO-SMS enables agricultural producers and companies in Serbia to get information on the latest prices of fresh fruit and vegetables from terminal markets in Serbia and Europe delivered to their mobile phone, by SMS. As long as a farmer has a mobile phone - he or she can access this information anywhere in Serbia.

Users of the service get an SMS message with the most recent terminal prices of fresh fruit and vegetables for Belgrade, Niš, Kraljevo, Paris, London, Hamburg and Rotterdam, after sending a request message

with the appropriate code (in the box below) to 2299.

Quoted in an article on British website "freshinfo" one Serbian strawberry grower said that growers are no longer at an information disadvantage when dealing with buyers, "This time we didn't give in and accept their promises, instead we got information by SMS and knew exactly how purchasing transactions were proceeding in other parts of the country... No beating around the bush anymore. This technology works for us peasants too."

Product	Produce code that you send to 2299
Strawberry	D_TC_Jag
Cherry	D_TC_Tre
Blueberry	D_TC_Bor
Peach	D_TC_Bre
Cucumber	D_TC_Kra
Tomato	D_TC_Par
Capsicum	D_TC_Pap
Raspberry	D_TC_Mal
PRICE: Per produce selected	5 dinars + VAT (per product)

LOOKING TO THE SKY FOR TOURISM OPPORTUNITIES

With an unsurpassed diversity of terrain, including an abundance of unspoiled natural areas, Montenegro, and in particular the Skadar lake region, is a haven for a spectacular variety of birds throughout the year. Along the lake's shores, its islands, bays, coves, historical monuments, ancient monasteries and nearby mountain forests, birds of many species, including a number that are rare and/or endangered, are found in greater numbers than any place else in the region. Skadar Lake, the largest lake in the Balkans, is one of the largest bird reserves in Europe, boasting over 270 species, including the last pelicans in Europe. With its vast area (over 500 sq. km. at some times of year), comparatively shallow water; lush vegetation and moderate Mediterranean climate (only 25kms from the Adriatic Sea) it is also a winter sanctuary for numerous bird species that migrate from the frozen marshes of Northern Europe, thereby offering a unique and outstanding opportunity for birdwatchers and the development of bird watching tourism.

Traditionally, Montenegrin tourist offerings were mainly based around the flavors and attractions of the coastline, while little attention was paid to the development and utilization of other strategically important areas. Niche market tourists such as bird-watchers and hikers were not being catered to and naturally looked elsewhere when planning holidays. In order to address this issue, USAID provided support to better utilize the natural resources of Skadar Lake by creating new and unique opportunities for tourists to enjoy the awe-inspiring areas of the lake and its diverse wildlife. While there, tourists will be able to experience the unique cultural and culinary offerings of the surrounding villages.



Bird watchers atop a recently constructed tower



On the lake: A bird watching excursion

To that end, International Relief and Development, Inc. (IRD), one of USAID's implementers of the Community Development through Democratic Action-Economy (CRDA-E) program, entered into partnerships with the National Park Skadar Lake, the Maritime Safety Institute from Bar; private businesses and the local citizens on a project to construct environmentally friendly bird watching towers and platforms, produce guide books, train tour guides and to mark safe boating channels on the lake. The total contribution from the American people through USAID to the project was \$49,900, while an additional \$20,000 was contributed locally.

This widespread support of the project provided the additional funds that made it possible to create innovative promotional

materials that break the stereotype of Montenegro as merely a summer and sea destination, thus expanding the appeal of Montenegro to a different kind of tourist that may visit "out-of-season" and spend their Euros in other parts of the country. Additionally, the National Park Skadar Lake will charge an entrance fee that will help generate a sustainable income and allow further investment in the development of new products and services on the lake. The project is a part of the wider USAID support to tourism development, which has been identified as one of the economic sectors with the highest potential in Montenegro. In the past 12 months, IRD has implemented 29 tourism projects with a total value of over \$1.5M, almost \$800,000 of which was provided by the American People through USAID. ■

HAZARD ANALYSIS AND CRITICAL CONTROL POINT (HACCP) SYSTEM INTRODUCTION

HACCP is a certificate that demonstrates that a food manufacturing/processing company applies suitable production, processing and/or packaging systems and procedures for hygiene and food safety to minimize

food safety risks. To increase the awareness and knowledge of Montenegrin companies about this important food safety system, USAID's Competitiveness project organized a seminar on the HACCP system. The introduction of the system will facilitate increased Montenegrin food exports to Europe and prepare Montenegrin producers for when HACCP certification becomes a requirement for food exports

to the EU. USAID-supported training about the system began in Serbia approximately two years ago and hundreds of companies now have HACCP certification. Currently, in Montenegro, only three companies hold HACCP certification. With the assistance of USAID, ten more food producing companies in Montenegro should receive the certification by the end of the year.

FOR MORE INFORMATION
ON USAID'S ACTIVITIES
IN SERBIA AND
MONTENEGRO
GO TO:

<http://serbia-montenegro.usaid.gov>

USAID Office in Belgrade

U.S. Agency for International Development
American Embassy
Kneza Milosa 50
11000 Belgrade
Serbia and Montenegro
Telephone:
USAID Reception:
+ (381) 11 306-4675

USAID Office in Podgorica

U.S. Agency for International Development
U.S. Office in Podgorica
Ljubljanska bb
81000 Podgorica
Serbia and Montenegro
Telephone:
USAID Reception:
+(381) 81 241-050